

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF VERMONT

IN RE: )  
 )  
HERMITAGE INN REAL ESTATE ) 19-10214-cab  
HOLDING COMPANY, LLC, et.al ) *(Jointly Administered)*  
 ) Chapter 7 case  
Debtor. )

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**NOTICE OF QUALIFIED BIDDER, SEVEN SPRINGS MOUNTAIN RESORT, INC.,  
FOR PARTICIPATION IN AUCTION AND SALE HEARING**

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PLEASE TAKE NOTICE that, on October 24, 2019, Raymond J. Obuchowski, Chapter 7 Trustee of the Bankruptcy Estate of Hermitage Inn Real Estate Holding Company, LLC., (“Trustee” or “Seller”) has received a Qualified Bid of Seven Springs Mountain Resort, Inc. for the purchase of Forty-One (41) Technoaplin Snow Guns and related equipment, (the “Sale Property”), pursuant to a an asset purchase agreement similar to the “Stalking Horse APA”, to Seven Springs Mountain Resort, Inc. (“Seven Springs”) for the bid offer of \$315,000.00 as a higher and better offer as to participate at the auction. Seven Springs is aware that a copy of its Qualified Bid and documentation is being provided to the Stalking Horse.

**PLEASE TAKE FURTHER NOTICE** that “Seven Springs” has instructed the Trustee that it requests that the Trustee, as part of this Notice, inform the Court pursuant to the Notice [ECF#267] that it wishes to be considered as an alternative, and possible successful bidder, to the Stalking Horse, and that this Notice be treated as “Seven Springs” written response and filing with the Clerk of the Court, and its view to the Court.

**PLEASE TAKE FURTHER NOTICE** that if you would like to receive a copy of the Qualified Bid APA, or any other submission, you may do so by making a request to the Trustee, Raymond J. Obuchowski (i) by mail to Obuchowski Law Office, PC, PO Box 60, Bethel, VT 05032, (ii) by telephone at 802-234-6244 or (iii) via email at ray@oeblaw.com.

Dated: Thursday, October 24, 2019

/s/ Raymond J. Obuchowski

Raymond J. Obuchowski

Obuchowski Law Office

PO Box 60

Bethel, VT 05032

Telephone: 802-234-6244

Facsimile: 802-234-6245

ray@oeblaw.com

*Counsel for Chapter 7 Trustee*

## **BIDDING PROCEDURES**

**Participation in the Bidding Process.** Any party other than Stalking Horse that is interested in purchasing the Sale Property (a "Potential Bidder") may obtain relevant due diligence from the Trustee by:

(a) providing the Trustee with information regarding the bidder's financial ability to consummate purchase of the Sale Property.

(b) Inspect or view the Sale Property after providing proof of insurance and providing release of liability in form as approved by the Trustee, Lakeland Bank and Berkshire Bank.

**Participation in the Auction.** To participate in the bidding process and attend the Auction, a bidder must submit what is determined by the Trustee, with consent of Lakeland Bank, to be a "Qualified Bid." "Qualified Bid" means a written proposal for purchase of the Sale Property:

(a) whose value is greater than the sum of (i) the Cash Purchase Price (\$287,000), (ii) the Break-Up Fee (Three (3%) Percent) and (iii) the Minimum Incremental Bid (defined below) or at least commencing at \$310,000; and

(b) that is accompanied by a deposit of Ten (10%) Percent of the proposed purchase price (the "Good Faith Deposit") in the form of a certified check or cash payable to the order of the Bankruptcy Estate;

(c) that has substantially the same terms and conditions as the Stalking Horse APA;

(d) that is accompanied by reasonable evidence of committed financing or other ability to perform;

(e) that is timely submitted by the Bid Deadline (defined below); and

(f) that is irrevocable until two (2) business days after closing of the Sale and remains open until that time as a "back-up bid" at the last price and terms offered at the Auction.

(g) that if the Successful bidder is unable to consummate the sale following the Sale Hearing, the Trustee shall have the right to present any other bid obtained through the Bid Procedures to the Court for approval.

The Stalking Horse shall be deemed to be a Qualified Bid for the Sale Property (the "Stalking Horse Bid").

**Bid Deadline.** Each person wishing to bid on the Sale Property, except for the Stalking Horse, must deliver a bid to Trustee October 25, 2019 (the “Bid Deadline”) via mail and email to:

<b>By Regular Mail:</b>	<b>By Overnight Delivery</b>
Raymond J. Obuchowski Obuchowski Law Office PO Box 60 Bethel, VT 05032 ray@oeblaw.com	Raymond J. Obuchowski Obuchowski Law Office 1542 Vermont Route 107 Royalton, Vermont 05068 ray@oeblaw.com

The Stalking Horse shall be entitled to receive copies of all competing bids and supporting documentation promptly up receipt by Seller.

**Report on Bids.** If no Qualified Bids, other than the Stalking Horse Bid, are received by the Bid Deadline, the Trustee will report the absence of other Qualified Bids to the Bankruptcy Court and all parties in interest by filing a notice with the Bankruptcy Court. At the Sale Hearing, the Trustee will seek entry of an order approving the Stalking Horse’s purchase of the Sale Property pursuant to the terms set forth in the Stalking Horse APA and proposed Sale Order.

**Auction.** If there are at least two Qualified Bids for the Sale Property (including the Stalking Horse Bid), the Trustee will conduct an auction at the US Bankruptcy Court on October 29, 2019 at 10:00 a.m. at U.S. Bankruptcy Court – Burlington, Federal Building, 11 Elmwood Ave. Burlington, VT, at which time each person that has timely submitted a Qualified Bid will be entitled to participate as a bidder. The Stalking Horse may participate in the auction and Sale Hearing by telephone. Bidding will begin with the highest and best Qualified Bid and continue in increments of not less than \$10,000 (the “Minimum Incremental Bid”), in all rounds taking into account the right of the stalking horse to the Break-up fee and expenses reimbursement, and will not conclude until each participating bidder has had the opportunity to submit any additional Qualified Bid(s). At the conclusion of bidding, The Trustee will announce the determination as to the party (the “Successful Bidder”) submitting the highest and best bid (the “Successful Bid”) for the Sale Property and will request Bankruptcy Court approval of the Successful Bid at the Sale Hearing.